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1. The quality of the steel produced at the Maxhütte has deteriorated. Customers have complained that steel beams produced by the Maxhütte have actually shattered like glass when dumped from railroad cars, and that cracks and splits developed during welding and riveting. It was ascertained that the impact resistance (Kerbzähigkeit) of the steel was considerably below standard and that the nitrogen and phosphorus content was too high. Steel beams sent to Russia as reparations were
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spots, necessitating replacement of those sections. A new steel crane had to be completely overhauled, and most of the parts replaced.
2. A conference was held at Maxhütte, Unterwellenborn, on 14 March 1949 to decide what should be done about this situation. Representatives of the SMA, the DWK, Bleichert-Leipzig, and of plants in Hennigsdorf, Hettstedt, Ammendorf, Coswig and other steel-using firms, as well as Professor Maurer and Jesnitzer from Freiberg, were present. It was finally decided to set up a commission for classifying the various steels produced in the zone. In the future no steel from the Maxhütte would be used in products intended for shipment to the USSR.
3. The Hennecke movement has back-fired in the iron and steel industry; SAGs and People's Factories (VEBs) have reported that their rejects have risen to as much as 50% of the total production. The new emphasis is to be on quality rather than quantity.

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